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REPORT

ON THE

ADMINISTRATION OF THE OPIUM DEPARTMENT

OF THE

BOMBAY PRESIDENCY

FOR THE

REVENUE YEAR 1897-98, 1898-99
1900-01 & 1901-02, 1903-04

WITH

APPENDIX.

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From

JOHN POLLEN, Esquire, I.C.S., LL.D.,
Acting Commissioner of Customs, Salt, Opium, and A'bkári,
Bombay;

To

J. W. P. MUIR-MACKENZIE, Esquire, I. C. S., M.R.A.C.,
Secretary to Government,
Revenue Department,
Bombay.

Bombay, 21st December 1898.

Sir,

INTRODUCTION.

I have the honour to submit the following report on the administration of the Opium Department of the Bombay Presidency for the revenue year 1897-98 ending 31st July 1898.

2. Sir James Campbell was in charge of the Department from 1st August 1897 to the 22nd April 1898, from which date the charge remained with Mr. W. T. Morison till the 28th idem, when Mr. A. Cumine received charge and continued to hold it until relieved on the 6th of June last by Mr. R. M. Kennedy, who acted as Commissioner till the end of the year.

ADMINISTRATION.

3. The bulk of the opium imported into Bombay is grown and manufactured in Native States in Málwa and Rájputána. For its weighment, for the issue of necessary passes, and for the recovery of pass-fees, Government have established scales and maintain offices at Ahmedabad in Gujarát, and at Indore, Ujjain, Rutlam, Dhar, Jaora, Ajmir, Mandesar, Bhopál, and Chitor in Central India, and Rájputána. Opium passed at the Government scales is packed in chests containing 140¼ lbs., or in half-chests containing 70⅛ lbs. avoirdupois.

4. Throughout the Presidency of Bombay the manufacture of opium is prohibited, and the importation of opium from Málwa is restricted to certain specified routes. All consignments of opium imported into the Presidency are on arrival subjected to examination, and the transport of opium from place to place is permitted only under official passes. The wholesale trade in the drug is entirely separated from the retail trade.

5. The pass-fee or duty payable on exports from the Agencies in Málwa to places in the Bombay Presidency is levied at the scales in the form of *hundis*, that is, bills of exchange drawn on Bombay, and payable at six days' sight. The hundis must be cashed before the consignee can obtain delivery of the opium. At the Ajmir Agency the duty is paid in cash or by hundi payable at sight drawn on Bombay; at Ahmedabad only cash or hundis payable at sight at the Bank of Bombay are accepted.

6. The system under which the opium farms have been managed has been the same as in the previous year. That is, except in the districts of Bijápur, Belgaum, Dhárwár, Kánara, Ratnágiri, Sátára, Thána and Kolába, the Settlement of Aden and the Cantonment of Baroda, the farmers have been required to pay only the duty on the opium bought by them for sale together with contributions for establishment charges. No license fees were levied for the privilege of sale except from the farmer of the town and island of Bombay. In the five southern districts of Bijápur, Belgaum, Dhárwár, Kánara and Ratnágiri, in the Settlement of Aden and in the Baroda Cantonment, which consume very little opium, the old license-fee system was retained. This system, which was also introduced, as an experimental measure, into the districts of Sátára, Thána, and Kolába, with effect from the 1st August 1896, with a limitation of retail selling prices, was continued in these Districts during the year under report. These three districts were previously managed under the selection system.

INTRODUCTION — ADMINISTRATION.

7. Agreements are in force with all Native Chiefs in the Presidency to secure their co-operation in stopping the contraband traffic in opium. Under these agreements—

(1) The cultivation of the poppy has been prohibited in all Native States except Baroda.

(2) Baroda is permitted to grow the poppy and to manufacture opium under a State monopoly for consumption in its own territory and for export to China. The State has undertaken to assimilate its opium retail system and selling prices to those for the time being in force in adjoining British districts, and to prevent the introduction of Baroda opium into British territory and into the territories of adjoining Native States.

(3) All other Native States are required to supply themselves with opium for domestic consumption either from some British depôt by purchase wholesale in the Bombay market, or by direct importation from Málwa under regular passes, and to retail it to their subjects at prices not lower than the retail prices for the time being in force in British districts.

(4) All Native Chiefs are bound to exert themselves to prevent the introduction of untaxed opium into their territories.

(5) In return for the obligations undertaken, the States are guaranteed the enjoyment of the privileges enumerated below, so long as they faithfully carry out their agreements.

8. Baroda enjoys the whole of the revenue derivable under its State monopoly, and is, besides, allowed to import from Málwa, free of duty, whatever quantity of Málwa opium may be wanted for its home consumption. Cambay, Pálanpur, the Mahi Kántha and the Rewa Kántha States are allowed a remission of the whole of the British duty levied on opium consumed within their limits; Kutch and Káthiáwár are allowed a similar remission to those States of one-third; the Sátára Jághirdárs (including the Bhor State, since transferred to the Poona Political Agency, and the Jath and Daflapur States, since transferred to the Kolhápur Political Agency) of one-tenth; and all other States of one-fifth of the duty. Special compensation has also been granted in all cases in which any loss of the opium revenue formerly enjoyed by Chiefs was found to have been caused by the arrangements.

9. The subjoined statement shows the amounts of compensation paid annually for loss of opium revenue formerly enjoyed by the Chiefs referred to—

Names of Native States.	Amount of annual compensation.	Government Resolution sanctioning the Amount.
	Rs.	
Pálanpur	31,500	No. 2151—51 Confl., dated 1st April 1882, Revenue Department, and No. 7122, dated 11th November 1892, Political Department.
Mahi Kántha—		
I'dar, including Posina Putta	4,896 1,050	No. 180—7 Confl., dated 11th January 1881, Revenue Department; No. 1138—26 Confl., dated 24th February 1881, Revenue Department; and No. 778, dated 1st March 1881, Financial Department.
Kheroj	40	
Tintoi	60	
Cross Road Rudardi ...	46	
Jadicha Putta	90	
Moti Mori Meghráj ...	40	
Mágori	50	
A'mliyára	190	No. 1368—34 Confl., dated 8th March 1881, Revenue Department, and No. 928, dated 11th March 1881, Financial Department.
Sáthumba	64	
Ranásan	75	
Bolundra	27	
Katosan	600	
Total ...	7,228	

Names of Native States—*continued.*	Amount of annual compensation.	Government Resolution sanctioning the Amount.
Rewa Kántha—	Rs.	
Rájpipla	500	No. 179—6 Confl., dated 11th January 1881, Revenue Department.
Báriya	500	
Lúnáváda	750	
Sunth	150	
Bálásinor	50	
Chhota Udepur	2,808	
Kadána	25	
Sanjeli	75	
Thákor of Nasvádi... ...	184	No. 778, dated 1st March 1881, Financial Department.
Do. of Vijiria	100	
Do. of Vasanvirpur ...	85	No. 2675, dated 24th April 1882, Revenue Department.
Do. of Gad	325	
Do. of Agar	74	No. 3658—171 Confl., dated 26th September 1882, Financial Department.
Do. of Sindhiápur ...	79	
Do. of Vanmála ...	39	
Do. of Pálásni	63	
Do. of Cháliar	250	
Do. of Sihora	1,000	
Do. of Poicha	60	
Do. of Raeka	20	
Total ...	7,137	
Grand Total ...	45,865	

Pass-fees. Govt. of India Notification No. 4780 of 27th Oct. 1897.

10. The duty on opium intended for export by sea from the Port of Bombay to China and other foreign countries was up to the 26th October 1897 Rs. 625 per chest for opium passed at the scales at Ajmir, and Rs. 600 for opium passed at the other scales; but with effect from the 27th idem, it was reduced by Rs. 100 per chest, *i.e.*, to Rs. 525 for opium passed at the Ajmir scales, and to Rs. 500 elsewhere. The duty on opium imported for local consumption in the Bombay Presidency remained at Rs. 725 and Rs. 700 a chest, passed, respectively, at the Ajmir scales and elsewhere.

Government Rate.

11. The rate for opium issued from the Government depôts was Rs. 10-8-0 per lb. in all districts, except Sindh and Aden, Ahmedabad, Kaira, the Panch Maháls, Broach and Surat, and the depôts at Rájkot, Pálanpur, Sádra and Baroda Cantonment, where it was Rs. 11.

OPIUM IMPORTS.
STATISTICS.
Exports.

12. The following statement shows the number of chests weighed and passed at the scales for export to different parts of India, and the amount of duty levied thereon during the year under report and the previous year:—

For Export to	1896-97.		1897-98.	
	Chests.	Duty.	Chests.	Duty.
		Rs.		Rs.
Madras Presidency	534	3,73,800	521½	3,65,050
Nizám's Territory	283	1,98,100	210	1,47,000
Do. (Duty-free) ...	...	...	55	...
Hyderabad Assigned Districts ...	188½	1,31,950	174	1,21,800
Mysore (Duty-free)	20	...	25	...
Coorg (do.)	½	...	½	...
Bombay Presidency	23,474½	1,41,18,500	18,165	94,34,550
Do. (Duty-free) ...	141½	...	141½	...
Total ...	24,642	1,48,22,350	19,292½	1,00,68,400

OPIUM IMPORTS.

STATISTICS.

Exports to places outside the Presidency.

13. During the year under report the exports to other Presidencies and States outside the Bombay Presidency were 986 chests and the duty-collections Rs. 6,33,850, showing a net decrease of 40 chests and Rs. 70,000 duty compared with the previous year. There was a decrease of 12½, 18, and 14⅓ chests in the exports to the Madras Presidency, the Nizám's territory, and the Hyderabad Assigned Districts, respectively, compared with those of the previous year. The exports to Mysore, however, show an increase of 5 chests. Out of the total decrease of Rs. 70,000 in duty, the decrease of Rs. 31,500 was due to the 45 chests of duty-paid opium less exported to the Madras Presidency, the Nizam's territory, and the Hyderabad Assigned Districts as detailed above, and the remainder, Rs. 38,500, is due to 55 chests being exported duty-free to the Nizám's territory. As regards the duty-free exports to the Nizám's territory it may be observed that the agreement with His Highness' Government provides for the levy of the pass-fee in the first instance and its subsequent refund to the State through the Resident, Hyderabad. But the Government of India, by their orders dated the 24th April 1897, have, under certain safeguards, permitted opium bought on behalf of His Highness the Nizám's Government to be exported *free of duty*, the concession not being applicable to opium exported by private traders.

Exports from Agencies to Bombay and other places in the Presidency.

14. The exports from the Agencies to Bombay and other places in the Presidency, on payment of duty, were 18,165 chests as against 23,474½ chests in the previous year, that is a decrease of 5,309½ chests. This decrease is chiefly due to the depression in the China trade. The duty-free exports for consumption in Native States entitled to full remission were the same as in the previous year, *i.e.* 141½ chests.

Exports from Málwa and other Agencies.

15. Compared with the previous year, the exports from the Agencies in Málwa during the year under report fell off by 5,309½ chests. With the exception of Bhopál, which alone shows an increase of 427 chests, all other Agencies show decreases, *viz.* Indore 2,512 chests, Ujjain 628 chests, Chitor 131 chests, Rutlám 1,039 chests, Dhar 20 chests, Jaora 186 chests, Mandesar 1,212½ chests, and Ahmedabad 8 chests. As has been the case for some years past, no exports from the Ajmir Agency are recorded during the year under report.

Opium passed from Ahmedabad Scales.

16. The number of chests of Dungarpur opium brought to the Ahmedabad scales on payment of duty during the year under report was 17 compared with 24 in the previous year, a decrease of 7 chests, and the imports of duty-free opium fell from 12 to 11 chests. No Baroda-grown opium was brought to the Ahmedabad scales during the year under report.

Exports at different rates of Duty.

17. The following table shows for the year under report the exports at the different rates of duty from the scales to places in the Bombay Presidency compared with the previous year, and the duty paid thereon :—

Rate of Duty per Chest.	1896-97.		1897-98.	
	Chests.	Duty.	Chests.	Duty.
		Rs.		Rs.
Rs. 700	338	2,36,600	365½	2,55,850
„ 600	23,136½	1,38,81,900	2,789½	16,73,700
„ 500	.....	.....	15,010	75,05,000
Total ...	23,474½	1,41,18,500	18,165	94,34,550

Actual Imports into Bombay and actual Duty Realizations.

18. The actual imports into the Presidency of duty-paid opium were 18,756½ chests, and the duty actually realized by encashment of hundis and brought to account in the year under report was Rs. 94,91,550. These figures, which differ from those in the preceding paragraph, have been arrived at in the following manner :—

OPIUM IMPORTS.

STATISTICS.

Actual Imports into Bombay and actual Duty Realizations.

	Chests.	Duty. Rs.
Chests passed and Duty levied at the scales in 1897-98 .	18,165	94,34,550
Deduct—(1) Chests lost on the way	...	...
(2) Number which had not arrived in Bombay before the close of the year, including—		
(*a*) Chests on which Duty was realized within the year	107½	...
(*b*) Chests on which Duty was not realized within the year ...	27	14,200
	18,030½	94,20,350
Add—Chests passed at the scales in 1896-97 which arrived in Bombay in 1897-98, including—		
(*a*) Chests on which Duty was realized in 1896-97	607½	...
(*b*) Chests on which Duty was realized in 1897-98	118½	71,200
	18,756½	94,91,550

19. The transactions detailed in the two preceding paragraphs for the year under report are summarised and contrasted below with similar figures for the two previous years, and with annual averages for the three years ending 1891-92 and for the three years ending 1894-95. The differential duty on opium sold in Bombay for home consumption for the periods in question is also shown :—

Year.	Chests cleared and Duty levied at the Scales.			Chests arrived and Duty realised in Bombay.				
	Number of Chests.		Amount of Duty levied.	Number of Chests.		Duty realized.	Differential Duty realised.	Total Duty realized.
	Duty-paid.	Duty-free.		Duty-paid.	Duty-free.			
			Rs.			Rs.	Rs.	Rs.
Average for the three years ending 1891-92.	30,103	216	1,84,75,825	29,921	216	1,84,20,942	1,06,379	1,85,27,321
Do. do. 1894-95.	30,473	146	1,85,84,342	30,292	146	1,84,74,025	1,11,189	1,85,85,214
In 1895-96	23,650	146	1,53,52,725	23,618	146	1,54,41,425	68,225	1,55,09,650
Do. 1896-97	23,474½	141½	1,41,18,500	23,620½	141½	1,44,68,200	1,08,600	1,45,76,800
Do. 1897-98	18,165	141½	94,34,550	18,756½	141½	94,91,550	1,60,950	96,52,500

Imports by Native States and Farmers of British Districts under Duty-paid and Duty-free Passes.

20. The actual arrivals in the Bombay Presidency during the year under report, including duty-free imports, were 18,898 chests, or 4,864 chests less than in the previous year, while the decrease in the duty collections was Rs. 49,24,300. This decrease is due to the abnormally low exports to China.

21. Of the 18,898 chests imported, 18,393½ chests were brought and lodged in the Bombay Opium Warehouse. The remaining 504½ chests, which include 141½ chests imported free of duty by Native States, and 363 chests imported for home consumption on payment of duty at Rs. 700 per chest, by opium farmers in the British districts and in Native States entitled to full or partial remission of duty, were conveyed direct to their destinations as noted below :—

	Duty-paid Chests.		Duty-free Chests.
Bánsda	½		
Rewa Kántha	10	Pálanpur	64
Káthiáwár	149	Mahi Kántha	39½
Panch Mahál	3	Rewa Kántha	38
Surat	26		
Khándesh	99½		
Sholápur	48		
Kaira	27		
Total ...	363	Total ...	141½

OPIUM IMPORTS.

STATISTICS.

Bombay Central Warehouse Accounts.

22. The Bombay Opium Warehouse account for the year under report stood as under:—

			Chests.
Book balance on 31st July 1897	...	...	817½
Deduct—Deficiency discovered on stock being taken at the end of the year 1896-97	...	...	38½
Actual stock on 1st August 1897	...	...	779
Imported during the year under report	...	...	18,393½
			19,172½
Exported to China	...	...	16,676
Do. to Zanzibár and other African ports	...	...	12½
Do. to Cochin and Allepey	...	...	44
			16,732½

Sold for home consumption—	Chests.	Chests.	
(*a*) Daman (Portuguese Territory)	...	½	
(*b*) To Native States—			
Dharampor	1½		
Bhor	1		
Kutch	72		
Káthiáwár	95		
Cambay	15		
Bánsda	½		
		185	
(*c*) To the Licensed Opium Vendors of—			
Bombay	96½		
Ahmedabad	110		
Kaira	27		
Panch Mahals	18		
Broach	54		
Surat	½		
Násik	30		
Ahmednagar	55		
Poona	55		
Sholápur	6		
		452	
(*d*) To Government for supply of Depôts	...	323½	
			961
Total disposed of		...	17,693½
Book balance on 31st July 1898	...	...	1,479
			19,172½

23. The balance of opium actually found in the warehouse at the end of the year under report was 1,460½ chests, equivalent to 18½ chests short of the book balance shown in the preceding paragraph. This shortage occurs mainly through much of the opium imported being new opium, on which a special loss by dryage occurs. The deficiency in 1894-95 and 1895-96 was respectively 15½ and 9 chests; but that discovered in 1896-97 was excessively high and a special report on the subject has been submitted to Government with this office No. 5516, dated the 21st October 1898. The deficiency in 1897-98 amounted to 18½ chests against 38½ chests deficient in the previous year. There is thus an improvement as compared with the previous year, but the shortage is still excessive. Increased vigilance is now being exercised at the Opium Warehouse, and if, as proposed by my predecessor, all chests are properly weighed at the scales in Málwa, instead of ten per cent. as at present, the deficiencies ought to be brought down to a much more satisfactory figure.

DISTRIBUTION.

EXPORTS TO CHINA.

24. The exports to China during each of the past ten years are shown in the margin. Those for the year under report were less by 12,612 chests than in 1894-95, by 5,017 chests than in 1895-96, and by 5,613½ chests than in 1896-97. The exports for the four months from April to July of 1895 and 1896 were respectively 9,809 and 6,422½ against 6,609 chests for the corresponding months of 1897, from which it will be seen that the reduction of duty by Rs. 50 per chest with effect from 23rd July 1896 did not materially improve the exports though it served to arrest the decline for some time, as stated in the previous year's report. The exports for the three months July, August and September 1897 fell off by 3,656½ chests compared with the corresponding months of 1896, and the tendency towards further decrease was very marked. The duty was further decreased by Rs. 100 per chest with effect from 27th October 1897. This reduction seems to have somewhat improved the state of things up to the end of February 1898, but there was again a serious decline in the exports from March to end of June last. This decrease has been brought about by a combination of causes, the principal being (i) the low rate of exchange of the dollar as compared with the rise in the sterling value of the rupee, (ii) the increased production of opium in China, and (iii) the cheapness of Chinese opium. There has, however, been an improvement lately, for the exports since July last have shown a decided increase, the total exports for that month, August, September and October 1898, being 11,511 chests against 5,146½ chests for the corresponding four months of 1897, *i.e.*, more than double the exports for the corresponding months of the previous year. It would be premature to speculate as to the causes of this improvement in the opium export trade, but the increased activity in this particular trade is probably due to the reported partial failure of the opium crop in some of the provinces of China. Whether the improvement will be maintained or not depends on the extent of the reported failure.

	Chests.
1888-89	29,777½
1889-90	28,372
1890-91	28,415
1891-92	29,122
1892-93	25,243½
1893-94	31,233
1894-95	29,288
1895-96	21,693
1896-97	22,289½
1897-98	16,676

25. The following statement shows the prices of opium ruling in the Bombay market in each month of the two years 1896-97 and 1897-98, contrasted with the prices quoted for similar opium in the principal markets of China, *viz.* Hongkong and Shanghai, and in the Calcutta market:—

Opium prices in China, Bombay, and Calcutta.

Months.	1896-97.								1897-98.							
	Bombay Market.		Hongkong.		Shanghai.		Calcutta Market (a).		Bombay Market.		Hongkong.		Shanghai.		Calcutta Market (a).	
	One year old.	Two years old.	New.	Old.	New.	Old.	Patna.	Benares.	One year old.	Two years old.	New.	Old.	New.	Old.	Patna.	Benares.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
August	1,286	1,331	1,326	1,400	1,330	1,451	1,307	1,331	1,172	1,259	1,092	1,192	1,176	1,238	1,006	1,010
September	1,259	1,329	1,282	1,365	1,307	1,432	1,278	1,345	1,163	1,241	1,183	1,282	1,216	1,269	983	986
October	1,277	1,357	1,279	1,380	1,323	1,448	1,280	1,303	1,171	1,219	1,225	1,339	1,276	1,348	984	992
November	1,261	1,333	1,248	1,327	1,310	1,393	1,205	1,234	1,114	1,182	1,155	1,235	1,274	1,346	993	1,021
December	1,232	1,300	1,282	1,323	1,334	1,401	1,141	1,128	1,087	1,159	1,130	1,194	1,150	1,274	1,044	1,043
anuary...	1,203	1,286	1,282	1,305	1,345	1,391	1,093	1,090	1,062	1,158	1,065	1,143	1,116	1,252	1,028	1,013
February	1,199	1,284	1,255	1,285	1,275	1,333	1,104	1,118	1,049	1,146	1,050	1,167	1,116	1,260	928	963
March	1,160	1,282	1,236	1,285	1,228	1,337	1,047	1,053	1,072	1,163	1,082	1,240	1,151	1,294	956	943
April	1,193	1,284	1,232	1,297	1,198	1,357	1,023	1,025	1,086	1,175	1,141	1,203	1,132	1,267	932	936
May	1,234	1,293	1,265	1,317	1,221	1,385	1,056	1,063	1,081	1,135	1,137	1,198	1,145	1,257	923	930
June	1,258	1,310	1,265	1,306	1,187	1,380	1,068	1,067	1,054	1,115	1,122	1,262	1,189	1,318	953	956
July	1,207	1,282	1,209	1,271	1,175	1,340	1,105	1,108	1,037	1,093	1,162	1,252	1,184	1,292	1,009	971
Total ...	14,760	15,671	15,161	15,861	15,233	16,648	13,707	13,865	13,128	14,045	13,614	14,707	14,128	15,417	11,739	11,765
Average ...	1,230	1,306	1,263	1,322	1,269	1,387	1,143	1,155	1,094	1,170	1,134	1,226	1,177	1,285	978	980

(a) *Note.*—In Calcutta, opium of two seasons is not in the market at the same time, and therefore there is only one price for each of the two varieties (Behar and Benares) of opium sold at Government sales.

26. The average prices of opium in the Bombay market during the year under report have been Rs. 1,094 per chest for new opium and Rs. 1,170 per chest for old opium against Rs. 1,230 and Rs. 1,306 per chest of new and old opium, respectively, in the preceding year. The prices include the duty. Still, making due allowance for the reduction in duty from the 27th October 1897, the prices in the year under report were lower than in the preceding year.

DISTRIBUTION.

EXPORTS TO FOREIGN COUNTRIES.

Exports to Foreign Countries and Ports in other Presidencies.

27. Exports to African ports decreased from 34 chests to 12½ chests. Exports to Cochin and Allepey fell from 72 to 44 chests. There were no exports to Singápur, though 5 chests had been exported in the previous year. Half a chest was exported to Daman (Portuguese territory).

HOME CONSUMPTION.

Wholesale transactions.

28. The remaining 960½ chests were sold for consumption in the Bombay Presidency, as under :—

	Chests.
(*a*) To Government for the supply of their Depôts, from which opium is issued to Native States and to licensed retailers in British Districts	323½
(*b*) To British Opium farmers	452
(*c*) To Native Chiefs	185
	960½

These 960½ chests are in addition to the 504½ chests referred to in paragraph 21 as having been imported direct by British opium farmers and Native States without passing through the accounts of the Bombay Opium Warehouse. Thus the total stock for home consumption throughout the Bombay Presidency in the year under report was 1,465 chests as against 1,601 chests in the previous year.

Standard of weight used for purposes of accounts.

29. The standard of weight adopted in retailing opium and in keeping the opium accounts at Government depôts, and those rendered by farmers and Native States throughout the Presidency is pounds, tolas, and grains, each pound containing 40 tolas and each tola 180 grains.

Government Stock and Purchases.

30. Government bought in the year under report 323½ chests, the price paid therefor being Rs. 4,33,079, and the weight of the opium brought to account 44,032 lbs., while 7 lbs. were also purchased locally for Rs. 79-0-0. Thus the total purchases by Government were 44,039 lbs. at a cost of Rs. 4,33,158 or on an average Rs. 9-13-4 per pound against Rs. 10-3-8 in the previous year. The balance in the depôts at the opening of the year was 31,603 lbs. valued at Rs. 3,24,776. The total stock for the year, including the opening balance, was 75,642 lbs. of the aggregate value of Rs. 7,57,934, giving an average cost of Rs. 10-0-4 compared with Rs. 10-4-11.

Issues from Government Depôts.

31. The issues from the Government depôts during the year were 57,028 lbs., of which 29,140 lbs. were supplied to British licensed retailers, 42 lbs. to the Commissariat Department, and 27,846 lbs. were sold to Native Chiefs. The realizations were Rs. 6,21,537, of which Rs. 64,240 were adjusted by credit to sale-proceeds, and debit to "Refunds and Drawbacks," on account of remission of pass-fees in favour of the Native Chiefs to whom the opium was supplied. The prime cost of the opium sold was Rs. 5,72,113. Deducting from the realizations the expenditure of Rs. 5,88,821 detailed in the margin*, the net profit to Government was Rs. 32,716 against Rs. 16,764 in the previous year.

	Rs.
* (1) Prime cost	5,72,113
(2) Value of 466 lbs. written off as loss from wastage and dryage in the Depôts	4,665
(3) Charges incurred on account of the transport of opium from Bombay to up-country Depôts	9,937
(4) Cost of the maintenance of the Government Depôts at Sádra and Pálanpur	2,106
	5,88,821

Closing Balance.

32. Deducting the issues and the loss by dryage from the opening balance and purchases, there remained in stock in the Government depôts at the end of the year 18,149 lbs. valued at Rs. 1,81,156.

RETAIL TRANSACTIONS.

BRITISH DISTRICTS.

Quantities placed on Sale.

33. The total quantity of opium placed on sale at the shops in British districts, excluding unsold stocks taken over at the beginning of the year by the incoming from the outgoing farmers which do not pass through the Government accounts, was as under :—

	Lbs.
Issued from Government Depôts as per paragraph 31 ...	29,140
Imported by licensees from Málwa as per paragraph 21 (203½ chests)	27,699
Purchased by licensees in the Bombay market as per paragraph 22 (452 chests)	61,522
	1,18,361

DISTRIBUTION.

HOME CONSUMPTION.

34. The subjoined statement shows the quantities of opium which actually passed into consumption during the year under report in each British district compared with the corresponding figures for the previous year :—

BRITISH DISTRICTS.

Quantities Sold.

Names of Districts.	1896-97.	1897-98.	Names of Districts.	1896-97.	1897-98.
	Lbs.	Lbs.		Lbs.	Lbs.
Bombay	13,820	13,518	Brought forward...	95,984	89,384
Ahmedabad ..	15,994	15,636	Sátára	3,025	2,441
Kaira	7,821	7,949	Belgaum	683	576
Panch Maháls ...	3,534	3,390	Dhárwár	953	951
Broach	7,224	6,769	Bijápur	351	355
Baroda Cantonment .	56	56	Kánara	106	109
Surat	3,212	3,055	Ratnágiri	277	256
Thána	875	787	Kolába	635	592
Násik	4,985	4,275	Karáchi	4,629	4,617
Khándesh	13,084	12,317	Hyderabad... ...	13,383	13,398
Ahmednagar ...	8,877	7,310	Shikárpur	4,250	4,486
Poona	9,023	7,727	Aden	141	145
Sholápur	7,479	6,595			
Carried forward ..	95,984	89,384	Total ...	1,24,417	1,17,310

Causes of Increase and Decrease.

35. The total licit sales of opium in British districts fell off from 1,24,417 lbs. to 1,17,310 lbs., a decrease of 7,107 lbs. The decrease was general throughout the Presidency excepting the districts of Kaira, Bijápur, Kánara, Hyderabad, Shikárpur and Aden, which show an increase of 128 lbs., 4 lbs., 3 lbs., 15 lbs., 236 lbs., and 4 lbs. respectively. The most noticeable decreases were the follwing :—Ahmednagar (1,567 lbs.), Poona (1,296 lbs.), Sholápur (884 lbs.), Násik (710 lbs.), Sátára (584 lbs.). These decreases are attributed to the plague. Khándesh shows a decrease of 767 lbs., much of which must I fear be attributed to successful smuggling from Bhopavar, Indore, and Nimar. Immediately on taking charge I drew attention to this remarkable decline and am now in communication with Mr. Bonus, the Collector, as to the best steps to be taken to stop illicit trade. In Broach the sales declined by 455 lbs., and here again I see reason to suspect increase in smuggling from Baroda. I know from my experience in the Panch Maháls and Rewa Kántha that the drug sold at the Baroda shops is popularly regarded as of a particularly pungent and superior quality, and this impression tends to encouragement of surreptitious trade. The matter is engaging my attention, and I am arranging that not only in Broach but also throughout the neighbouring Collectorates the farmers shall supply the best Málwa opium to their shops. I shall in the course of my tour endeavour to visit the various districts and Political Agencies surrounding Baroda, and trust to be able to make more effective arrangements for the repression of illicit trade and detection and punishment of opium smuggling.

Native States supplied through Government.

36. As in former reports, in discussing the transactions in the Native States under the Bombay Presidency, it is convenient to begin with those States whose supplies are obtained through the British Government, and have been included in the total Government stock receipts accounted for above, paragraph 28, leaving Baroda, which itself grows the poppy and manufactures opium, both for export and for home consumption, to be dealt with separately.

Quantities Supplied.

37. The total quantities indented for by Native States during the year under report, according to the figures given in paragraphs 21, 22, and

DISTRIBUTION.

HOME CONSUMPTION.

31, are shown below, together with the corresponding totals for 1895-96 and 1896-97 :—

Name of State or Political Agency.	From Ma'lwa.				From Bombay.				Issued from Government Local Depôt.	Total 1897-98.	Corresponding Totals for	
	Imported free of Duty.		Imported on payment of Duty.		Purchased in the Market.		Issued from the Government Main Depôt.				1895-96.	1896-97.
	Chests.	Lbs.	Chests.	Lbs.	Chests.	Lbs.	Chests.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.
Kutch	...	...	...	...	72	9,800	...	...	...	9,800	10,345	11,433
Káthiáwár	...	...	149	20,281	95	12,931	...	...	16,184	49,396	55,742	49,827
Pálanpur	64	8,711	...	...	...	...	...	...	4,688	13,399	12,604	13,337
Mahi Kántha	39½	5,376	...	...	...	...	3½	476	2,507	8,359	9,170	8,312
Rewa Kántha	38	5,172	10	1,361	...	...	...	...	...	6,533	6,465	6,193
Cambay	...	...	...	...	15	2,042	...	...	...	2,042	2,450	3,402
Other States	...	...	½	68	3	408	3½	477	3,514	4,467	5,703	4,846
Total for 1897-98 ...	141½	19,259	159½	21,710	185	25,181	7	953	26,893	93,996	102,479	97,350
Corresponding Totals for 1895-96 ...	146	19,872	195½	26,610	214	29,128	8	1,089	25,780	1,02,479	...	...
Corresponding Totals for 1896-97 ...	141½	19,260	184½	25,112	166	22,594	7	952	29,432	97,350	...	...

Quantities Sold.

38. Information regarding the quantities sold out of these stocks is furnished in the accounts rendered by the Darbárs as indicated below. Differences between the quantities indented for as shown in the preceding paragraph and those actually credited in the accounts, are due to the fact that purchases made at the end of one year sometimes do not appear in the Darbár accounts till after the beginning of the next year.

Kutch Opium Accounts.

39. The licit sales in Kutch are compared in the subjoined table with similar figures for each of the two previous years and with the average of the three years ending 1894-95 :—

	Average of three years ending 1894-95.	1895-96.	1896-97.	1897-98.
	Lbs.	Lbs.	Lbs.	Lbs.
Stock on hand at the beginning of the year	2,038	1,126	1,779	3,161
Imported during the year ...	8,540	10,024	11,760	10,080
Confiscated Opium	6	1	...	...
Total Stock ...	10,584	11,151	13,539	13,241
Issued to licensed Retailers and used for the Darbár consumption	8,759	9,130	10,097	11,103
Dryage	229	242	281	293
Stock on hand at the end of the year	1,596	1,779	3,161	1,845
Total ...	10,584	11,151	13,539	13,241

40. During the year under report the sales in Kutch increased by 1,006 lbs. compared with the previous year, by 2,344 lbs. compared with the average of the three years ending 1894-95, and by 223 lbs. as compared with 1889-90. The increase seems due to continued vigilance on the part of the Darbár, whose attention to diminished sales had been called through the Political Department—*vide* paragraph 6 of Government Resolution, Revenue Department, No. 1320, dated 15th February 1895.

41. The accounts furnished by the States and Chiefs in Káthiáwár are summarised below :—

	Annual average of three years ending 1894-95.	1895-96.	1896-97.	1897-98.
	Lbs.	Lbs.	Lbs.	Lbs.
Stock on hand at the beginning of the year	9,392	8,900	12,491	11,380
Imported by direct purchase in Bombay and Málwa	36,113	41,515	31,708	33,074
Purchased from Rájkot Depôt ...	14,140	15,044	18,121	16,184
Confiscated Opium	176	34	43	215
Excess found in Stock on re-weighment	13	6	16	9
	59,834	65,499	62,379	60,862
Sold to public or licensed Retailers and used for Darbár consumption ...	50,467	52,643	50,696	49,412
Loss from Dryage	323	365	303	406
Stock on hand at the end of the year ...	9,044	12,491	11,380	11,044
Total of Sales, Loss, and Balance ...	59,834	65,499	62,379	60,862

Licit Sales in each main division of Káthiáwár.

42. The following statement shows the licit sales in each main division of Káthiáwár. Details regarding certain of the principal Native States in each division are also given in the statement :—

Names of Divisions and States.	Annual average of three years ending 1894-95.	1895-96.	1896-97.	1897-98.
	Lbs.	Lbs.	Lbs.	Lbs.
Jhálávád—				
Dhrángadhra...	1,450	1,675	1,726	1,624
Limbdi	420	591	523	488
Wadhwán (including Wadhwán Thána and Civil Station)	1,770	1,940	1,864	1,725
Lakhtar	230	251	231	195
Bajána	254	340	294	243
Other States	3,610	4,651	4,395	3,758
Total ...	7,734	9,448	9,033	8,033
Sorath—				
Junágadh	8,280	7,722	7,293	6,937
Porbandar	1,359	1,419	1,460	1,402
Jáfrábád	262	246	292	246
Other States	4,817	5,845	5,378	5,039
Total ...	14,718	15,232	14,423	13,624

DISTRIBUTION.

HOME CONSUMPTION.

NATIVE STATES.

Licit Sales in each main division of Káthiáwár.

Names of Divisions and States—*continued.*	Annual average of three years ending 1894-95.	1895-96.	1896-97.	1897-98.
	Lbs.	Lbs.	Lbs.	Lbs.
Hálár—				
Navánagar	4,386	4,079	4,057	3,935
Morvi	1,670	2,294	2,191	2,590
Gondal	2,484	2,795	2,666	2,577
Vánkáner	552	548	504	461
Dhrol	679	509	519	496
Rájkot (including Civil Station) ...	2,532	1,906	1,838	1,786
Other States	3,210	3,687	3,473	3,408
Total ...	15,513	15,818	15,248	15,253
Gohelvád—				
Bhávnagar	9,058	9,235	8,622	8,775
Pálitána	878	831	876	1,199
Other States	2,566	2,079	2,494	2,528
Total ...	12,502	12,145	11,992	12,502
Grand Total ...	50,467	52,643	50,696	49,412

43. The total sales of opium in Káthiáwár were less by 1,284 lbs. than in the previous year. Of the four divisions two show a decrease, namely Jhalávád (1,000 lbs.) and Sorath (799 lbs.), while Hálár and Gohelvád each show an increase of 5 lbs. and 510 lbs. respectively.

Jhalávád.

44. All the States comprised in the Jhalávád division show a falling off, the "other States" not specified being responsible for 637 lbs. or more than half the total decrease.

Sorath.
Hálár.

In the Sorath division the decline was chiefly in Junágad (356 lbs.) and the "other States" not specified (339 lbs.). In the Hálár division all the States except Morvi show a decrease though there was a net increase of only 5 lbs. Morvi shows an increase of 399 lbs. All the three States in the Gohelvad division show an increase, *viz.* Bhávnagar (153 lbs.), Pálitána (323 lbs.), and "other States" not specified (34 lbs.), giving a total increase of 510 lbs.

Gohelvád.

Pálanpur, Mahi Kántha, Rewa Kántha, and Cambay.

45. The accounts of opium transactions in Pálanpur, the Mahi Kántha, the Rewa Kántha, and Cambay are summarised below:—

Names of States and Years.	Opening Stock.	Imported and locally purchased.	Total Stock.	Sold and Consumed.	Loss from Dryage.	Closing Stock.
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.
Pálanpur.						
Annual average of three years ending 1894-95 ..	2,797	12,425	15,222	12,568	245	2,409
In 1895-96	2,220	12,604	14,824	12,318	185	2,321
„ 1896-97	2,321	13,317	15,638	13,322	164	2,152
„ 1897-98	2,152	13,458	15,610	13,515	172	1,923
Mahi Kántha.						
Annual average of three years ending 1894-95 ...	589	9,889	10,478	9,576	79	823
In 1895-96	1,148	9,053	10,201	9,251	61	889
„ 1896-97	889	8,248	9,137	8,150	85	902
„ 1897-98	902	8,437	9,339	8,375	59	905

DISTRIBUTION.
HOME CONSUMPTION.
NATIVE STATES.
Pálanpur, Mahi Kántha, Rewa Kántha, and Cambay.

Names of States and Years—*contd.*	Opening Stock.	Imported and locally purchased.	Total Stock.	Sold and Consumed.	Loss from Dryage.	Closing Stock.
Rewa Kántha.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.
Annual average of three years ending 1894-95 ...	975	6,725	7,700	6,450	253	997
In 1895-96...	1,196	6,829	8,025	6,599	409	1,017
„ 1896-97	1,017	6,797	7,814	6,246	259	1,309
„ 1897-98	1,309	6,034	7,343	6,037	235	1,071
Cambay.						
Annual average of three years ending 1894-95 ...	381	2,589	2,970	2,534	...	436
In 1895-96	591	2,456	3,047	2,864	...	183
„ 1896-97	183	2,989	3,172	2,853	...	319
„ 1897-98	319	2,455	2,774	2,324	3	447

46. The licit sales of opium in the year under report in some of the principal Native States under the Pálanpur Superintendency, and in the Mahi Kántha and the Rewa Kántha, are contrasted in the subjoined table with those for the two previous years and with the average for the three years ending 1894-95 :—

Names of States.	Annual average of three years ending 1894-95.	1895-96.	1896-97.	1897-98.
Pálanpur Superintendency.	Lbs.	Lbs.	Lbs.	Lbs.
Pálanpur...	3,337	3,636	4,250	4,307
Rádhanpur	2,603	2,696	2,322	2,187
Tharád	1,240	1,756	1,522	1,717
Mahi Kántha.				
I'dar	1,610	1,605	1,387	1,764
Dánta	253	241	241	248
Rewa Kántha.				
Rájpipla	2,158	2,123	2,010	1,883
Chhota-Udepur	273	259	315	322
Sunth	417	455	391	351
Lunávada	744	722	723	755
Bálásinor	366	421	413	406
Báriya	569	686	679	692

47. The sales in the Pálanpur Superintendency rose from 13,222 lbs. to 13,515 lbs. during the year under report and those in the Mahi Kántha from 8,150 lbs. to 8,375 lbs., whereas in Rewa Kántha and Cambay they fell off by 209 lbs. and 529 lbs. respectively. The decrease in Cambay seems due to the fact that the opium management there has been carried on departmentally since 1898, as an experimental measure, because there were good reasons to believe that under the previous system a considerable quantity of opium out of the free allowance of the State was being smuggled into the adjacent district of Kaira by the State farmer who was bound to pay Rs. 19,000 of which Rs. 14,000 represented duty on 20 chests and Rs. 5,000 license-fee for the right of vend. The contractor had thus to dispose of the 20 chests somehow or other, whether or not there was a real demand in Cambay for that quantity. Otherwise he must suffer loss or his profits must be *pro tanto* diminished. I am in correspondence with the Political Agent with a view to the introduction into the State of the selection system which is in force in Kaira.

DISTRIBUTION.

HOME CONSUMPTION.

NATIVE STATES.

Pálanpur, Mahi Kántha, Rewa Kántha, and Cambay.

48. During the year under report an irregularity of considerable importance was discovered in Mahi Kántha. It was found that the *full* excise duty at Rs. 700 per chest or Rs. 5 per lb. was not levied by the State authorities on opium supplied to the farmers in Mahi Kántha for retail sale at shops within State limits. This was contrary to clause (4) of paragraph 2 of the agreement* which requires that "opium shall not be supplied to any of the said licensed vendors except on payment of a price which is not less than the price at which, at the time being, licensed vendors are being supplied" in British districts. The price paid by farmers of British districts for opium supplied to them from Government depôts or obtained from Málwa includes the full excise duty of Rs. 700 a chest. It is hardly necessary to indicate the danger to British revenue involved in this lax interpretation of the agreement, and no time was lost in drawing the attention of the Political Agent to the possible effects of the action of the Darbár, and he at once took steps in the matter, and has since reported that the entire farm for Thánas and Japtis in the Agency has been given for 1898-99 on payment of 8 annas *per lb. over and above the cost of opium plus duty.* The incident has been fully reported upon by my predecessor in his No. 3254—76-Confl., dated the 5th July 1898, and I have taken steps to discover whether such irregularities have been permitted in other Native States, and intend in the course of my tour to make personal enquiries into the manner in which their agreements are being respected by the various Native States concerned.

* *Vide* annexures to Government Resolution, Political Department, No. 2371 of 9th April 1895.

49. The other States, excepting Baroda, obtain their supplies as a rule from the nearest British depôt, or from the Central Depôt at Bombay. The consumption is small, and for the most part they submit no detailed accounts. With the exception of the Native States of Dharampur, Bánsda and Bhor, which also occasionally bring their supplies direct from the Bombay market or from Málwa, the quantities supplied during the year, which are given below, represent the licit consumption sufficiently accurately for practical purposes :—

Names of States.	Annual average of three years ending 1894-95.	1895-96.	1896-97.	1897-98.
	Lbs.	Lbs.	Lbs.	Lbs.
Dharampur	159	204	204	204
Bánsda	68	68	68	136
Sachin	66	...	...	...
Jawhár	7	6	7	5
Surgána	9	12	5	6
Akalkot	261	318	274	270
Bhor	463	482	318	348
Phaltan	532	490	475	439
Játh	93	113	96	79
Aundh	343	346	288	302
Sávantvádi	23	68	...	68
Kolhápur	317	409	272	273
Sángli	800	1,086	901	770
Miraj (Senior)	990	996	922	779
Do. (Junior)	297	462	314	194
Kurundvád (Senior)	117	118	182	133
Do. (Junior)	78	26	...	72
Jamkhandi	109	118	138	147
Mudhol	50	47	40	30
Rámdurg	22	30	21	17
Sávanur	36	32	49	59
Janjira	·227	272	272	136
Total ...	5,067	5,703	4,846	4,467

50. The subjoined table gives the figures of production and consumption in the Baroda State :—

	Average of three years ending 1894-95.	1895-96.	1896-97.	1897-98.
	Acres.	Acres.	Acres.	Acres.
Area under Poppy cultivation... ...	6,655	7,685	6,371	4,313
Poppy Juice.	Lbs.	Lbs.	Lbs.	Lbs.
Stock on hand at the beginning of the year	121,324	88,461	108,343	118,958
Purchased during the year	82,958	108,146	118,778	68,719
Total ...	204,282	196,607	227,121	187,677
Utilized in the manufacture of Opium ...	121,630	88,264	108,163	118,554
Stock on hand at the end of the year ...	82,652	108,343	118,958	69,123
Total ...	204,282	196,607	227,121	187,677
Production and Purchase of Opium.	Lbs.	Lbs.	Lbs.	Lbs.
Stock on hand at the beginning of the year	271,752	312,384	289,322	327,726
Manufactured from juice	108,338	77,350	93,323	105,385
Imported from Málwa	.....	...	...	...
Confiscated Opium	35	5	28	22
Total Stock ...	380,125	389,739	382,673	433,133
Disposal of Opium.				
Exported to Bombay *vid* Ahmedabad ...	.....	34,032	...	...
Issued to licensed Retailers	60,067	59,614	49,141	47,448
Total ..	60,067	93,646	49,141	47,448
Loss from Dryage, &c.	7,860	6,775	5,806	5,042
Stock on hand at the end of the year ...	312,198	289,318	327,726	380,643
Total of Exports and Sales, Loss and Balance	380,125	389,739	382,673	433,133

51. The area under poppy cultivation decreased from 6,371 to 4,313 acres, whereas at the end of the year the stocks have increased by 52,917 lbs. compared with the previous year. These stocks represent about eight years' consumption of the Baroda territory. Evidently with a view to reduce these stocks, the Baroda Government have after the end of the year under report passed from the Ahmedabad scales to Bombay 199 chests for export to China. This consignment has not yet been exported from Bombay.

52. The subjoined table shows the quantities sold in each of the main divisions of His Highness the Gáekwár's Dominions in the year under

DISTRIBUTION.

HOME CONSUMPTION.

NATIVE STATES.

Baroda.

report, contrasted with the sales in each of the two previous years and the average for the three years ending 1894-95 :—

Names of Divisions.	Annual average of three years ending 1894-95.	1895-96.	1896-97.	1897-98.
	Lbs.	Lbs.	Lbs.	Lbs.
Navsári	3,494	3,150	2,899	2,805
Baroda	31,447	32,295	26,593	26,173
Kadi	12,972	11,039	9,325	10,611
Amreli	12,495	14,589	10,654	8,190
Total ...	60,408	61,073	49,471	47,779

The total licit sales were less by 1,692 lbs. than in the previous year. There was a noticeable decrease of 2,464 lbs. in Amreli. Baroda and Navsári Divisions show a decrease of 420 lbs. and 94 lbs. respectively, whereas the Kadi Division shows an increase of 1,286 lbs.

Rate of licit consumption in British and Native State Gujarát.

53. The following table shows the yearly rate of licit consumption per head of population for the year under report and the two previous years in each British district in Gujarát, in each main division of His Highness the Gáekwár's Dominions, and of the Province of Káthiáwár and in the Native States of Kutch, Pálanpur, the Mahi Kántha, the Rewa Kántha and Cambay, these being the parts of the Presidency in which opium is most largely consumed :—

Names of Districts and States.	Population.	Rate of licit consumption per head of Population in Tolas.		
		1895-96.	1896-97.	1897-98.
British Gujarát—				
Ahmedabad	921,712	·71	·69	·68
Kaira	871,589	·41	·36	·36
Panch Mahals	313,417	·47	·45	·43
Broach	341,490	·91	·85	·79
Surat	649,989	·20	·19	·19
Baroda Territory—				
Navsári	319,443	·39	·36	·35
Baroda	813,074	1·59	1·31	1·29
Kadi	1,098,742	·40	·34	·39
Amreli	180,188	3·24	2·37	1·82
Káthiáwár—				
Jhálávád	428,906	·88	·84	·75
Sorath	785,032	·78	·73	·69
Hálár	862,026	·73	·71	·71
Gohelvád	676,440	·72	·71	·74
Kutch State	558,415	·65	·72	·80
Pálanpur Superintendency	645,526	·76	·83	·84
Mahi Kántha Agency	581,568	·64	·56	·58
Rewa Kántha Agency	733,506	·36	·34	·33
Cambay	89,722	1·28	1·27	1·04

As usual the consumption in the Baroda and Amreli Divisions and in Cambay is far in excess of that anywhere else in British or Native territory in Gujarát.

STATISTICS.

Number of Shops opened.

54. The following statement shows the number of shops licensed for the sale of opium in each district of the Bombay Presidency during the year under report and the previous year :—

STATISTICS.

Number of Shops opened.

District.	1896-97.	1897-98.
Bombay	11	11
Ahmedabad	157	157
Kaira	142	142
Panch Mahals...	37	37
Broach	50	50
Surat	23	24
Thána	16	16
Násik	41	41
Khándesh	107	106
Ahmednagar	54	54
Poona	51	51
Sholápur	42	42
Sátára	38	38
Belgaum	14	15
Dhárwár	21	20
Bijápur	16	16
Kánara	11	11
Ratnágiri	7	8
Kolába	13	13
Hyderabad	93	93
Karáchi	76	77
Shikárpur	62	62
Thar and Párkar	54	54
Upper Sind Frontier... ...	11	11
Total ...	1,147	1,149

55. The total number of opium shops opened during the year under report increased by 2 as compared with the previous year. In Surat, Belgaum, Ratnágiri, and Karáchi there was an increase of 1 shop each, and Khándesh and Dhárwár show a decrease of 1 each. The wishes of the local inhabitants were ascertained wherever new shops were opened.

Licenses to Medical Practitioners.

56. In addition to the shops for the retail sale of opium shown in the preceding paragraph, 109 licenses were granted in the year under report against 104 in the previous year for the possession and sale of opium and certain preparations thereof, for medical purposes only, to medical practitioners, druggists, &c., in the districts noted below:—

	1896-97.	1897-98.
Bombay	22	24
Ahmedabad	11	11
Kaira	1	1
Surat	8	12
Poona	57	57
Belgaum	2	2
Kolába	2	1
Hyderabad	1	1
Total ...	104	109

REALIZATIONS.

IMPERIAL.

Deductions for Duty on Home Consumption.

57. As regards the financial results of the year's administration, it will be seen from paragraph 19 above, that the duty on opium realized and brought to account during the year under report was Rs. 96,52,500. Of this sum, Rs. 9,26,800 represent the duty on excised opium bought or imported for home consumption as shown below:—

REALIZATIONS.

IMPERIAL.

Deductions for Duty on Home Consumption.

	Rs.
363 chests imported on payment of Duty at Rs. 700 per chest	2,54,100
312½ chests imported on payment of Duty at Rs. 600 per chest	1,87,500
648½ chests imported on payment of Duty at Rs. 500 per chest	3,24,250
Differential Duty on 312½ chests at Rs. 100 per chest; 648½ chests at Rs. 200 per chest sold from the Bombay Central Warehouse as per paragraph 22 as follows:	
*185½ chests to Native States	1,60,950
452 chests to licensed opium vendors of British Districts	
323½ chests to Government for supply of Depôts...	
Total ...	9,26,800

* This includes one-half chest issued to Daman.

58. The above sum of Rs. 9,26,800 has been transferred in the civil accounts of the Presidency to the divided head "Excise," leaving Rs. 87,25,700 as the balance of the duty-collections under the Imperial head "Opium." The latter sum includes Rs. 24,400 on account of duty on 24 chests of opium at the rate of Rs. 600 and 20 chests at Rs. 500 each, exported from Bombay to Cochin and Allepey in the Madras Presidency, to be adjusted in the accounts of that Presidency. The net duty on opium brought to Bombay for export to China and other places out of India was therefore Rs. 87,01,300 against Rs. 1,35,12,350 in the previous year, a decrease of Rs. 48,11,050, the causes of which have been explained in paragraph 24 above.

Warehouse Rent and Transhipment and Re-export Fees.

59. The receipts on account of rent paid by the owners of opium stored in the Bombay Opium Warehouse were Rs. 14,636 against Rs. 18,533 in the previous year, a decrease of Rs. 3,897. The fees realised on foreign opium imported into Bombay, Karáchi, and Aden for transhipment or for re-exportation in the same bottom were Rs. 17,408 against Rs. 22,471 in the previous year, a decrease of Rs. 5,063. These two items are credited to the Imperial head "Opium." The total number of chests of foreign opium brought to Bombay and transhipped in the harbour for China was 3,857 against 4,780½. Of these, 2,621 paid the fees at Karáchi. Of the remaining 1,236 chests which paid fees in Bombay, 683 were charged at the rate of Rs. 5; 211 at Rs. 4; and 342 at Rs. 3 per chest.

EXCISE OPIUM REVENUE.

Drawbacks allowed to Native States.

60. Of the Rs. 9,26,800 noted in paragraph 58 above as transferred to the head "Excise," Rs. 3,80,515 are on account of opium imported or bought by Native States or Chiefs, and out of this sum Rs. 1,60,540 have been or will be refunded to those States or Chiefs who are entitled, under the terms of their agreements, to remissions in full or in part of the pass-fee on opium consumed in their territory as shown in the subjoined table :—

Names of States.	Quantity of Duty-paid Opium bought.	Amount of Duty levied at Rs. 700 per Chest.	Duty Refundable.		Net Duty to be retained by Government.	
			Rate.	Amount.	Rate.	Amount.
	Lbs.	Rs.		Rs.		Rs.
Cambay	2,042	10,500	Full ...	10,500	.....	...
Kutch	9,800	50,400	One-third ...	16,800	Two-thirds ...	33,600
Káthiáwár ...	49,396	2,51,720	Do. ...	83,907	Do. ...	1,67,813
Pálanpur ...	4,688	23,440	Full ...	23,440	.....	...
Mahi Kántha ...	2,983	14,985	Do. ...	14,985	.....	...
Rewa Kántha ...	1,361	7,000	Do. ...	7,000	.....	...
Sátára Jághirs ...	1,168	5,860	One-tenth ...	586	Nine-tenths. .	5,274
Other States ...	3,299	16,610	One-fifth ...	3,322	Four-fifths ...	13,288
Total ...	74,737	3,80,515	.....	1,60,540	.....	2,19,975

REALIZATIONS.

EXCISE OPIUM REVENUE.

61. Deducting from the sum of Rs. 9,26,800 mentioned in the preceding paragraph the duty on opium bought for Native States, there remains a balance of Rs. 5,46,285, which represents the duty on opium imported or purchased for consumption in British territory during the year under report. Though these figures correctly represent the amount credited during the revenue year as an asset of excise revenue in the financial accounts in respect of duty on opium consumed in British territory, they do not correspond exactly with the duty, calculated at Rs. 700 per chest, on the quantities actually sold at the shops during the same period, which forms the basis of the revenue returns. The difference between the two sets of figures represents roughly the extent to which the opening balances of opium in hand at the Government Central and District Depôts, and at the shops have been increased or diminished by the year's transactions.

62. The subjoined table shows the duty on the actual sales and the license fees for the privilege of selling opium by retail sale realised during the year under report and the previous year :—

Names of Districts.	1896-97.			1897-98.		
	Duty on actual Sales.	License Fees.	Total.	Duty on actual Sales.	License Fees.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Bombay	71,074	3,600	74,674	69,521	3,600	73,121
Ahmedabad	82,255	(a) 70	82,325	80,414	(a) 35	80,449
Kaira	40,222	(a) 1	40,223	40,880	(a) 2	40,882
Panch Maháls	18,175	...	18,175	17,434	...	17,434
Broach	37,152	...	37,152	34,812	...	34,812
Surat	16,519	(a) 5	16,524	15,711	(a) 5	15,716
Thána	4,500	4,100	8,600	4,047	1,755	5,802
Násik	25,637	...	25,637	21,986	...	21,986
Khándesh	67,289	...	67,289	63,345	...	63,345
Ahmednagar	45,653	...	45,653	37,594	...	37,594
Poona	46,404	...	46,404	39,739	...	39,739
Sholápur	38,463	...	38,463	33,917	...	33,917
Sátára	15,557	7,200	22,757	12,554	8,200	20,754
Belgaum	3,513	2,704	6,217	2,962	2,784	5,746
Dhárwár	4,901	6,948	11,849	4,891	3,827	8,718
Bijápur	1,805	998	2,803	1,826	1,219	3,045
Kánara	545	525	1,070	561	640	1,201
Ratnágiri	1,426	482	1,908	1,317	797	2,114
Kolába	3,266	1,457	4,723	3,045	934	3,979
Karáchi	23,806	...	23,806	23,745	...	23,745
Hyderabad	68,827	...	68,827	68,904	...	68,904
Shikárpur	21,857	...	21,857	23,070	...	23,070
Aden	725	1,600	2,325	746	1,720	2,466
Baroda Cantonment ...	288	204	492	288	150	438
Total ...	6,39,859	29,894	6,69,753	6,03,309	25,668	6,28,977

(a) Represent fees for licenses for sale of medicinal opium pills.

Total Realizations.

63. The following abstract shows the excise opium revenue from all sources for the year under report and for each of the previous three years contrasted with the average of the three years ending 1894-95. Details of refunds of revenue brought to account are also given in the statement :—

REALIZATIONS.

EXCISE OPIUM REVENUE.

Total Realizations.

Names of Items.	Annual average of three years ending 1894-95.	1895-96.	1896-97.	1897-98.
	Rs.	Rs.	Rs.	Rs.
Opium Duty	6,63,448	6,96,441	6,39,859	6,03,309
License Fees. For Opium Farms ...	14,854	15,445	29,894	25,668
License Fees. For Chandul and Madat Farms	609	...	...	...
Penalty for deficient sales by Licensees	3,048	...	...	...
	6,81,959	7,11,886	6,69,753	6,28,977
Profit on sale of Government Opium .	22,018	18,922	16,764	32,716
Contribution for Government Establishment	45,274	53,430	62,791	64,871
Fines and Confiscations	4,919	6,151	3,735	2,159
Miscellaneous Receipts	378	357	361	358
Total for British Districts ...	7,54,548	7,90,746	7,53,404	7,29,081
Duty at reduced rates on Opium consumed in :				
Káthiáwár	1,71,031	1,89,680	1,69,110	1,67,813
Kutch	28,467	35,467	39,200	33,600
Other States	21,167	23,689	20,086	18,562
Total for Native States ...	2,20,665	2,48,836	2,28,396	2,19,975
Grand Total ...	9,75,213	10,39,582	9,81,800	9,49,056
Refunds.				
Pass-fee	167	...	...	...
Penalty for deficient Sales ...	8,004	...	...	...
Fines and Confiscations	9	...	...	...
Total Refunds ...	8,180	...	...	...
Net Revenue ...	9,67,033	10,39,582	9,81,800	9,49,056

64. The total net excise opium receipts for the year under report were less by Rs. 32,744 than in the previous year. Of these receipts, one-fourth is credited to Provincial and three-fourths to Imperial Revenue.

IMPERIAL AND PROVINCIAL.

65. The following statement shows the details of the several items comprising the total Imperial Revenue of the Presidency from opium in the year under report and in each of the two previous years. The net Provincial share of the excise opium revenue for the same period is also shown therein :—

REALIZATIONS.
IMPERIAL AND PROVINCIAL.

Items.	1895-96.	1896-97.	1897-98.
	Rs.	Rs.	Rs.
Opium Duty	1,55,09,650	1,45,76,800	96,52,500
Deduct—			
Duty on Opium transferred to "Excise" ...	12,08,900	10,21,250	9,26,800
Duty on Exports to Cochin and Allepey ...	50,050	43,200	24,400
	12,58,950	10,64,450	9,51,200
Net Opium Duty ...	1,42,50,700	1,35,12,350	87,01,300
Transhipment and Re-export Fees	17,249	22,471	17,408
Warehouse Rent and other Miscellaneous receipts...	17,990	18,533	14,636
Total ...	1,42,85,939	1,35,53,354	87,33,344
Deduct—Refunds ...	...	...	...
Net Receipts ...	1,42,85,939	1,35,53,354	87,33,344
Add—Imperial Share of Excise Receipts ...	7,79,687	7,36,350	7,11,792
Total Imperial Receipts ...	1,50,65,626	1,42,89,704	94,45,136
Net Provincial Share ...	2,59,895	2,45,450	2,37,264

The total Imperial revenue from opium for the year under report was Rs. 94,45,136 against Rs. 1,42,89,704 in the previous year, a decrease of Rs. 48,44,568. The Provincial share decreased by Rs. 8,186.

EXPENDITURE.

66. The expenditure on account of a portion of the opium establishment employed in the Town and Island of Bombay and that entertained at the Ahmedabad Opium Agency, which is debited to the Imperial head "Opium," was Rs. 25,933 during the year under report against Rs. 22,997 in the previous year. The expenditure on account of the Excise Opium Department is included in that of the Abkári Department and cannot be separated. But the approximate annual cost of the permanent Excise Opium Establishment may be estimated at Rs. 30,000 as in previous years. In addition to this, a temporary establishment costing about Rs. 47,915 a year was engaged. Thus the total expenditure on account of establishment was Rs. 77,915. Of this sum, Rs. 64,871 were recovered from such of the opium farmers as are required to contribute fixed sums on account of Preventive establishments.

OFFENCES.
NUMBER OF CASES ADJUDICATED.

67. The subjoined table shows the number of cases under the Opium Act investigated by Magistrates, the number of cases in which convictions were obtained, the number of cases dismissed, and the aggregate quantity of opium seized in each British district and Native State (except Baroda, for which no returns are received), side by side with the corresponding figures for the previous year :—

OFFENCES.

NUMBER OF CASES ADJUDICATED.

British Districts.

Districts.	1896-97.									1897-98.								
	Cases in which convictions were obtained.		Cases dismissed.		Total Cases brought up.		Quantity of contraband Opium seized.			Cases in which convictions were obtained.		Cases dismissed.		Total Cases brought up.		Quantity of contraband Opium seized.		
	No. of Cases.	No. of Persons.	No. of Cases.	No. of Persons.	No. of Cases.	No. of Persons.	Lbs.	t.	g.	No. of Cases.	No. of Persons.	No. of Cases.	No. of Persons.	No. of Cases.	No. of Persons.	Lbs.	t.	g.
Bombay	13	15	5	7	18	22	21	27	157	17	25	3	5	26	30	22	11	45
Ahmedabad .. .	35	35	2	2	37	37	28	8	68	30	30	4	4	34	34	31	18	57
Kaira	60	63	8	10	68	73	30	21	131	36	38	3	3	39	41	61	18	105
Panch Mahâls	76	79	3	3	79	82	46	6	108	48	52	1	2	49	54	59	11	111
Broach	7	7	..	..	7	7	0	14	99	3	4	..	..	3	4	0	10	107
Surat	1	1	1	1	2	2	0	3	112	1	1	..	..	1	1	0	0	45
Thâna	1	1	..	..	1	1	0	32	45	3	3	..	..	3	3	0	12	68
Násik	24	29	1	1	25	30	82	25	82	15	16	3	3	18	19	16	25	176
Khándesh	48	53	8	8	56	61	231	13	170	33	35	5	5	38	40	59	0	129
Ahmednagar	8	8	..	1	8	9	6	31	2	2	2	..	..	2	2	0	1	90
Poona	6	6	..	..	6	6	63	28	90	3	3	1	2	4	5	6	15	150
Sholâpur	9	12	1	2	10	14	226	38	45	5	7	1	2	6	9	5	39	45
Sâtâra	..	..	..	..	..	..	....			..	..	..	..	..	..	....		
Belgaum	1	1	..	1	1	2	0	12	0	2	2	..	..	2	2	0	16	0
Dhárwár	1	1	1	1	2	2	2	8	0	..	..	1	1	1	1	0	0	19
Bijápur	1	2	..	..	1	2	3	21	0	1	1	..	..	1	1	0	10	0
Kánara	..	..	..	..	..	..	....			..	..	..	..	..	..	....		
Ratnágiri	..	..	..	..	..	..	....			..	..	..	..	..	..	....		
Kolâba	..	..	..	..	..	..	....			..	..	..	..	..	..	....		
Hyderabad	1	1	..	..	1	1	2	5	0	..	..	..	..	..	..	....		
Karáchi	1	1	1	1	2	2	0	4	45	..	..	1	1	1	1	0	5	45
Shikárpur	1	1	1	1	2	2	0	14	165	8	12	1	1	9	13	1	2	168
Thar and Párkar	4	4	..	..	4	4	0	6	45	5	5	..	..	5	5	2	13	104
Upper Sind Frontier .	1	2	..	..	1	2	0	9	25	..	..	..	..	..	..	....		
Aden	..	..	..	..	..	..	....			..	..	..	..	..	..	....		
Total ..	299	322	32	39	331	361	758	12	129	212	236	24	29	236	265	267	14	24

Native States.

Native States.	1896-97.									1897-98.								
	Cases in which convictions were obtained.		Cases dismissed.		Total Cases brought up.		Quantity of contraband Opium seized.			Cases in which convictions were obtained.		Cases dismissed.		Total Cases brought up.		Quantity of contraband Opium seized.		
	No. of Cases.	No. of Persons.	No. of Cases.	No. of Persons.	No. of Cases.	No. of Persons.	Lbs.	t.	g.	No. of Cases.	No. of Persons.	No. of Cases.	No. of Persons.	No. of Cases.	No. of Persons.	Lbs.	t.	g.
Kutch	..	..	..	..	..	..	....			1	1	..	..	1	1	0	2	138
Káthiáwár	12	19	5	5	17	24	43	25	61	7	18	2	3	9	21	172	24	55
Pálanpur	24	29	4	5	28	34	22	14	43	20	21	1	2	21	23	41	15	104
Mahi Kántha .. .	18	18	1	3	19	21	7	17	148	20	25	3	4	23	29	23	33	130
Rewa Kántha	85	102	2	5	87	107	44	22	55	84	89	2	5	86	94	9	10	63
Kolhápur and Southern Marátha Country ..	1	1	1	1	2	2	0	2	54	1	1	1	1	2	2	1	8	139
States under Surat Agency	1	2	..	..	1	2	0	18	135	..	..	..	..	..	..	....		
Sholápur Agency	..	..	..	..	..	..	....			1	1	..	..	1	1	2	0	0
Total ..	141	171	13	19	154	190	118	20	136	134	156	9	15	143	171	250	24	89
GRAND TOTAL ..	440	493	45	58	485	551	876	33	85	346	392	33	44	379	436	517	38	113

68. The total number of opium cases detected in British Districts was 236 against 331 in the previous year, a decrease of 95. The quantity of opium seized was also less by 491 lbs. The districts showing the most marked decreases are Násik (66 lbs.), Khándesh (172 lbs.), Poona (57 lbs.) and Sholápur (221 lbs.).

69. In the Native States the total number of cases detected decreased by 11, but the quantity of opium seized was more by 133 lbs.

OFFENCES.

Cases in which the quantity of Opium seized exceeded 40 lbs. or in which organized smuggling was noticed.

70. The following are the cases in which the quantity of contraband opium seized exceeded 40 lbs. or in which organized and systematic smuggling was noticed:—

(1) In April 1897 the authorities at Bantwa in Káthiáwár having received information that opium was being smuggled by the opium farmer to Rafala, a village under Bantwa, and also to the villages of Khadia and Chouta, a search was made at all these places, with the result that 59 lbs. 24 tolas of opium was seized by the Fouzdár of the Tálukdár. The opium, in order to evade the vigilance of the Preventive Police, was sent in oil cans from a village called Punchmal in Málwa to Neemuch by road and thence to Junaghad by rail and from Junaghad to Rafala by road. The opium farmer was convicted and sentenced to suffer 4 months' simple imprisonment and to pay a fine of Rs. 200. This case not being disposed of till December 1897, could not be entered in the report for the previous year.

(2) In December 1897, a Koli seeing 7 persons entering the limits of Kuda in Káthiáwár from the direction of the Runn, and suspecting them of importing smuggled articles, gave information to the Salt Preventive Officer, who sent a party of peons after the men. The peons arrested all the persons indicated between the villages of Kuda and Kuwa, and on searching them in the presence of the Salt Officer, found 64 lbs. 33 tolas 90 grains of opium in their possession. The opium was brought from certain villages near Mandesar in Málwa. All the accused were convicted, and six of them were sentenced to suffer 6 months' rigorous imprisonment and to pay a fine of Rs. 50 each, while one was sentenced to undergo one month's rigorous imprisonment and to pay a fine of Rs. 10.

(3) In February 1898 a somewhat remarkable seizure of 48 lbs. 6 tolas of opium was effected at the Anand Station in the Kaira District by a Customs Náik. Three large bamboo baskets purporting to contain "Bor" (jujube) were booked from Ratlám as personal luggage by a passenger coming to Anand on his way to Káthiáwár. The Náik stationed at Godhra having received information came to the Anand Station and searched the baskets. The opium was found concealed in the midst of the "Bor". The accused was convicted and sentenced to suffer 3 months' rigorous imprisonment and to pay a fine of Rs. 100. From enquiries made it appeared that a native of Káthiáwár was granted permission by the Jaora State to take the above quantity of opium to Mandesar, but the man instead of taking it there smuggled the quantity into Gujarát. As the system under which passes for the removal of opium are granted at Jaora appeared to be unsatisfactory, my predecessor addressed the Agent, Governor General, Central India, suggesting certain steps calculated to prevent cases of the kind, and the Agent, I am glad to say, has approved the suggestions. The case has already been reported to Government—*vide* Government Resolution No. 5847, dated the 12th September 1898.

71. The percentage of convictions on the number of cases brought before the Courts in the year under report was 90 for British Districts and 94 for Native States as against 90 and 92 respectively in the previous year.

CLASSIFICATION OF OFFENCES.

British Districts.

72. The following is an abstract of the particulars of the opium cases detected in British Districts of the Bombay Presidency in the year under report as compared with the previous year;—

Nature of Offence.	Number of cases brought up.	Number of persons tried.	Number of persons discharged or acquitted.	Number of persons convicted.	Nature and Amount of Punishment awarded.					
					Rigorous imprisonment.	Simple imprisonment.	Fines.			
							Total Amount adjudged.	Amount recovered.	Amount not recovered.	Imprisonment awarded in default of payment.
1896-97.					Days.	Days.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Days.
Illegal possession of Opium ...	220	243	32	211	3,342	177	7,511 7 0	3,679 8 0	3,831 15 0	900
Do. transport of Opium ...	4	4	2	2	30	...	31 0 0	31 0 0	.....	...
Do. import of Opium ...	83	88	3	85	1,338	42	1,934 0 0	952 0 0	982 0 0	620
Do. export of Opium ...	6	6	...	6	90	19	305 0 0	255 0 0	50 0 0	30
Do. sale of Opium	18	20	2	18	1,215	...	628 0 0	247 0 0	381 0 0	169
Total ...	331	361	39	322	6,015	238	10,409 7 0	5,164 8 0	5,244 15 0	1,715
1897-98.										
Illegal cultivation of Poppy ...	2	4	...	4	...	...	30 0 0	30 0 0	.....	...
Do. manufacture of Opium .	1	1	1	...	...	...	.....	.....	.....	...
Do. possession of Opium ...	159	183	24	159	1,838	107	4,741 0 0	3,376 0 0	1,365 0 0	730
Do. transport of Opium ...	1	1	...	1	...	...	50 0 0	.....	50 0 0	15
Do. import of Opium ...	61	64	3	61	886	84	1,089 0 0	639 13 3	449 2 9	231
Do. export of Opium ...	2	2	...	2	...	...	8 0 0	8 0 0	.....	...
Do. sale of Opium	9	9	1	8	120	...	125 0 0	51 2 7	73 13 5	65
Breach of condition of License.	1	1	...	1	...	...	25 0 0	25 0 0	.....	...
Total ...	236	265	29	236	2,844	191	6,068 0 0	4,129 15 10	1,938 0 2	1,041

Native States.

73. The following is an abstract of similar particulars regarding Native State territory :—

Nature of Offence.	Number of cases brought up.	Number of persons tried.	Number of persons discharged or acquitted.	Number of persons convicted.	Nature and Amount of punishment awarded.					
					Rigorous imprisonment.	Simple imprisonment.	Fines.			
							Total Amount adjudged.	Amount recovered.	Amount not recovered.	Imprisonment awarded in default of payment.
1896-97.					Days.	Days.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Days.
Illegal possession of Opium ...	126	151	16	135	1,042	107	2,167 0 0	2,058 0 0	109 0 0	146
Do. import of Opium ...	23	33	3	30	1,205	10	387 8 0	169 8 0	218 0 0	215
Do. export of Opium ...	3	3	...	3	...	120	26 0 0	26 0 0	.....	...
Do. sale of Opium	2	3	...	3	...	...	56 0 0	56 0 0	.....	...
Total ...	154	190	19	171	2,247	237	2,636 8 0	2,309 8 0	327 0 0	361
1897-98.										
Illegal cultivation of Poppy ...	1	4	...	4	28	...	20 0 0	20 0 0	.....	...
Do. possession of Opium ...	115	124	11	113	1,400	99	2,324 4 0	1,504 4 0	820 0 0	561
Do. import of Opium ...	26	37	4	33	1,386	10	750 9 6	405 9 6	345 0 0	222
Do. sale of Opium	1	6	...	6	150	...	405 0 0	205 0 0	200 0 0	45
Total ...	143	171	15	156	2,964	109	3,499 13 6	2,134 13 6	1,365 0 0	828

74. I take this opportunity of bringing to the notice of Government the valuable assistance which the members of the Bombay Police Force have always so willingly rendered to the officers of the Opium Department in Bombay. The latter have worked well during the year under report. Mr. Morison, the Acting Collector, has taken special interest in opium administration, and has been ably assisted by Mr. Rustom Pestonji Jehangir Taleyarkhan and the detective staff working under him.

I have the honour to be,

Sir,

Your most obedient Servant,

J. POLLEN,

Acting Commissioner of Customs,

Salt, Opuim and Ábkári.

B 1333—7

Statement showing the number of Chests imported under Passes into Bombay, and the amount of Duty realized and finally brought to account, compared with the number of Chests for which Passes were granted and the Duty secured at the Agencies in each of the ten Revenue years from 1888-89 to 1897-98.

Years.	Number of Chests actually imported into Bombay in each year.				Number of Chests for which Passes were granted and Duty realized in current year, but which were lost on the road.	Number of Chests for which Passes were granted and Duty realized in current year but which did not arrive during the year.	Total number of Chests for which Duty was realized and credited in current year. Total of Columns 3, 4, 6, and 7.	Rate of Duty per Chest.	Amount of Duty realized and brought to account.	Number of Chests for which Passes were granted, but Duty not realized and Chests not arrived during the year.	Amount of Duty outstanding on Chests in Column 11.	Total number of Chests for which Passes were granted during current year and the amount of Duty due thereon.		Remarks.
	Under Passes granted in previous year.		Under Passes granted during current year.	Total number of Chests imported. Aggregate of Columns 2, 3, and 4.								Chests—Total of Columns 4, 6, 7, and 11.	Duty—Total of Columns 10 and 12, less Duty on Chests in Column 3.	
	Duty having been realized and credited in that year.	Duty being realized in current year.												
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
							Rs.	Rs.	Rs.		Rs.			
1888-89 ...	2	10	31,605	31,617	...	2	31,254 361	650 700	2,05,67,800	21	13,850	31,626	2,05,75,150	
1889-90 ...	...	21	28,814½	28,835½	...	22½	2,342 26,208½ 307½	600 650 700	1,86,56,125	7½	5,250	28,844½	1,86,47,375	
1890-91 ...	22½	7½	30,049½	30,079½	...	10	29,774½ 292½	600 700	1,80,69,450	26½	17,400	30,086	1,80,81,600	
1891-92 ...	10	26½	30,812	30,848½	...	...	30,497 341½	600 700	1,85,37,250	297½	1,78,650	31,109½	1,86,98,500	
1892-93 ...	...	297½	26,358	26,655½	...	...	26,472½ 183	600 700	1,60,11,600	708½	4,25,700	27,066½	1,62,58,650	
1893-94 ...	...	708½	32,143½	32,852	...	1,506	34,131 226 1	600 700 725	2,06,37,525	1,069	6,41,400	34,718½	2,08,53,225	
1894-95 ...	1,506	1,069	28,793½	31,368½	...	58	13,792½ 15,843 285	600 650 700	1,87,72,950	783	5,09,600	29,634½	1,86,41,150	
1895-96 ...	58	783	22,777	23,618	1	170½	170½ 23,071½ 489½	600 650 700	1,54,41,425	701½	4,20,900	23,650	1,53,52,725	
1896-97 ...	170½	701½	22,748½	23,620½	...	607½	23,720½ 337 363	600 700 700	1,44,68,200	118½	71,200	23,474½	1,41,18,500	
1897-98 ...	607½	118½	18,030½	18,756½	...	107½	2,907 14,986½	600 500	94,91,550	27	14,200	18,165	94,34,550	

J. POLLEN,
Acting Commissioner of Customs, Salt,
Opium and Abkári.

25

Annual Reports.

Report on the Administration of the Opium Department of the Bombay Presidency for the revenue year 1897-98.

No. 1707.

REVENUE DEPARTMENT.

Bombay Castle, 6th March 1899.

Letter from the Commissioner of Customs, Salt, Opium and A'bkári, No. 6602, dated 21st December 1898—Submitting the Report on the Administration of the Opium Department of the Bombay Presidency for the revenue year 1897-98 ending 31st July 1898.

RESOLUTION.—The total number of chests of opium weighed and passed at the Agency scales for transmission to different parts of India was 19,292½ as compared with 24,642 in the previous year. The following table shows the figures for the last five years:—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
Number of Chests	35,976	30,832½	24,898½	24,642	19,292½

The steady decrease is attributable almost entirely to the falling-off in the export trade with China. With the exception of Bhopál, which shows an increase of 427 chests, the exports from all the Málva Agencies fell off considerably. As has been the case for some years past, no opium from the Ajmere Agency was brought to the scales.

2. The number of chests actually imported into the Bombay Presidency was 18,898 as against 23,762 in the previous year. 18,393½ chests were lodged in the Bombay Opium Warehouse; the remaining 504½ chests were conveyed direct to their destinations, 141½ being imported free of duty by Native States, and 363 taken on payment of duty by opium farmers in British districts and Native States. The removals from the warehouse amounted to 17,693½ chests against 23,523 in the preceding year. The book balance on 31st July 1898 was 1,479 chests, while the opium actually in hand was 1,460½ chests. The shortage of 18½ chests, which is attributed to dryage, compares favourably with the deficiency of 38½ chests reported in 1896-97. Government agree with the Commissioner that with increased vigilance at the Customs House and more accurate weighing at the scales, it should be possible to reduce the deficiencies still further.

3. 16,676 chests of opium were exported to China. The exports compare with those of the preceding years as follows:—

	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
Number of Chests	31,233	29,288	21,693	22,289½	16,676

The reduction of duty by Rs. 50 per chest with effect from 23rd July 1896

served to arrest the decline for a time. A year later the downward tendency became very marked. A further reduction of duty by Rs. 100 per chest was made from 27th October 1897, but it did not materially improve the exports. The causes assigned by the Commissioner for the decline are (i) the low rate of exchange of the dollar as compared with the rise in the sterling value of the rupee, (ii) the increased production of opium in China, and (iii) the cheapness of Chinese opium. Since the close of the year under review, there has been a marked increase in exports, attributed to the partial failure of the opium crop in some provinces of China.

4. The total quantity of opium (excluding stock in hand) placed on sale for local consumption during the year is shown in the following table:—

	British Districts.		Native States.	
	1896-97.	1897-98.	1896-97.	1897-98.
	Lbs.	Lbs.	Lbs.	Lbs.
Issued from Government Depôts	29,232	29,140	30,384	27,846
Imported direct from Málva. { Free... ...	...	...	19,260	19,259
Imported direct from Málva. { On payment .	20,757	27,699	25,112	21,710
Purchased by licensees in the Bombay market.	69,893	61,522	22,594	25,181
	119,882	118,361	97,350	93,996

The average cost price of the opium bought by Government was Rs. 10-0-4 against Rs. 10-4-11 in the previous year. The net profit on the transactions at the Government depôts amounted to Rs. 32,716.

5. The total quantity of opium that actually passed into consumption was 117,310 lbs., or 7,107 lbs. less than in the previous year. The decrease was general almost throughout the Presidency. The decreases in Ahmednagar, Poona, Sholápur, Násik and Sátára are attributed to plague. The effects of famine on the purchasing power of the people are probably not less responsible for the decline. In Khándesh, however, and in Broach successful smuggling is believed to have adversely affected the sales. The Commissioner's attention has recently been called to the decline in the internal opium revenues over a series of years, and he has been requested to make inquiries into the subject during his tour. It is hoped that in the course of the present travelling season he will not omit to visit Khándesh as well as the other places mentioned by him. The cultivation of the poppy and manufacture of opium are unlikely to have declined with the same rapidity as the export for China, and it is probable that the stocks in the hands of producers have increased, and the temptation to dispose of them illicitly has been enhanced. Vigilance against smuggling on the borders of British territory should be energetically maintained. Government will await anxiously Mr. Pollen's report of the measures which he has concerted or desires to recommend for the repression of smuggling.

6. Native States were supplied with 93,996 lbs. of opium as against 97,350 lbs. in 1896-97, and 102,479 lbs. in 1895-96. The total sales of opium in Káthiáwár were less by 1,284 lbs. than in the previous year. The sales in Cutch and Pálanpur again show an improvement, attributed in the former case to continued vigilance on the part of the Darbár. During the year a serious irregularity was brought to light in regard to the opium farms in Mahi Kántha. It was found that farmers were not paying the full excise duty of Rs. 700 per

chest, which is the price paid by opium farmers in British districts. It is certainly of importance to ascertain whether the agreement with Native States has been as laxly interpreted elsewhere as it has been in Mahi Kántha, and Government will await the result of the enquiries that the Commissioner is instituting into the matter. The area under poppy cultivation in Baroda decreased from 6,371 acres in 1896-97 to 4,313 acres in 1897-98, while the stocks in hand have increased by 52,917 lbs. Since the close of the year, 199 chests have been sent by the Baroda Government to Bombay for export to China. But this amount will make no appreciable reduction in the enormous stock of 380,643 lbs. that was in hand on 31st July last. It is hardly too much to say that stocks of such magnitude in a Native State, the territories of which are intermixed, like those of Baroda, with British districts, are a standing menace to the internal opium revenue of British India. The Commissioner of Customs, Salt, Opium and A'bkári should be asked to consider with the political authorities the possibility of effecting a further reduction of these stocks. The decrease in licit sales in the Amreli Division is marked, as the following figures show:—

	Average of 3 years ending 1894-95.	1895-96.	1896-97.	1897-98.
	Lbs.	Lbs.	Lbs.	Lbs.
Amreli Division	12,495	14,589	10,654	8,190

In this division the rate of licit consumption per head of population has fallen from 3·24 tolás in 1895-96 to 1·82 in the year under review. This is *primâ facie* a decidedly unsatisfactory feature in the Baroda opium administration, no decrease in consumption at all comparable in magnitude being noticeable in the adjoining districts of Gujarát or in any other division of Baroda territory. The attention of the Government of India should be invited to this circumstance with the request that it may be brought to the notice of the Baroda Administration.

7. The revenue derived from opium under Export Duty and Excise, as compared with the preceding year, is as follows:—

		Rs.
Opium Duty	1896-97	1,35,53,354
	1897-98	87,33,344
Excise	1896-97	9,81,800
	1897-98	9,49,0[illegible]

The decrease in receipts from Export Duty has been already explained as due to the decline in the China trade. The decrease in Excise follows the decrease in consumption in India, which is attributed chiefly to plague, but part of which, it is feared, may also be due to an increase of smuggling.

8. The number of cases brought before the Courts in British districts under the Opium Act was 236 against 331 in the previous year, while the cases in which convictions were obtained decreased from 299 to 212. The falling-off was most noticeable in Kaira, Panch Máhals and Khándes. The quantity of contraband opium seized was less by 491 lbs. than in 1896-97, in which year some important captures were effected in Khándesh and Sholápur. In the Native States the number of cases detected decreased by 11, but the quantity of opium seized was more by 132 lbs. Having regard to the symptoms of increased smuggling which are noted above, the decline in convictions and seizures cannot be regarded with unmixed satisfaction.

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9. The general administration of the Department was satisfactory. The Department cannot, of course, be considered responsible for the decline in the opium export trade. But the suspicious appearances of an increase of smuggling are not an altogether pleasing feature of the year under report, and Government trust that the Commissioner will be able in his next Administration Report to show that he has succeeded in imposing a wholesome check on the illicit traffic in opium, to prevent a revival of which energetic measures are certainly required at the present time.

H. S. LAWRENCE,
Under Secretary to Government.

To

The Commissioner of Customs, Salt, Opium and A'bkári,
The Commissioner in Sind,
The Commissioner, N. D.,
The Commissioner, C. D.,
The Commissioner, S. D.,
The Collector and Political Agent, Kaira,
The Collector and Political Agent, Thána,
The Collector and Political Agent, Kolába,
The Collector and Political Agent, Sholápur,
The Collector and Political Agent, Sátára,
The Collector and Political Agent, Dhárwár,
All Collectors, including the Collectors and Deputy Commissioners in Sind,
The Collector of Land Revenue, Customs and Opium, Bombay,
The Accountant General,
The Collector of Customs and Salt Revenue in Sind,
The Political Agent, Káthiáwár,
The Political Agent, Cutch,
The Political Agent, Rewa Kántha,
The Political Agent, Mahi Kántha,
The Political Agent, Kolhápur and Southern Marátha Country,
The Political Superintendent, Pálanpur,
The Political Superintendent, Sávantvádi,
The Agent to His Excellency the Governor at Surat,
The Private Secretary to His Excellency the Governor,
The Political Department of the Secretariat,
The Public Works Department of the Secretariat, Railway,

} With copies of the Report.

The Agent to the Governor General at Baroda,
The Government of India,
The Secretary of State for India.

} By letter.

No. of 1899.

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